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INTERNATIONAL Herald Tribune

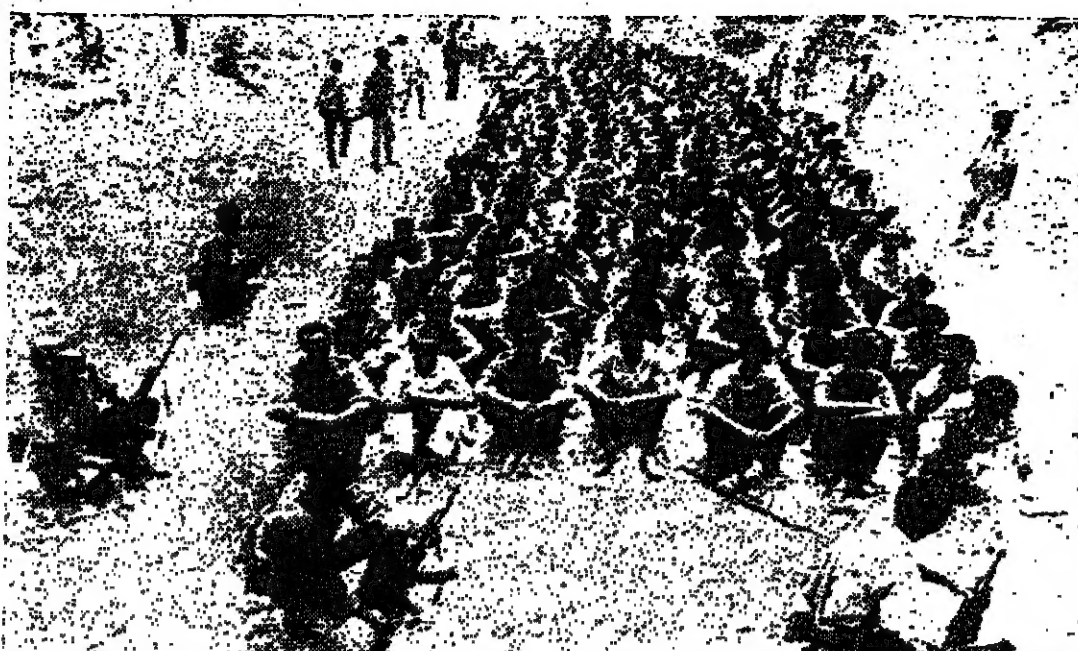
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335 PARIS, THURSDAY, JUNE 2, 1977 Established 1887

er 15-Year War, bels in Eritrea se Aim at Asmara

By Michael J. Duffy

ERITREA, June 1 (AP).—Years of armed struggle seeking independence from the Ethiopian empire have pushed government forces out of the coastal town of Asmara, the capital of the Red Sea province. Rebels, who have been fighting for 15 years, are now in control of the town. The rebels, who are known as the Eritrean People's Liberation Front (EPLF), are now in control of the town. The rebels, who are known as the Eritrean People's Liberation Front (EPLF), are now in control of the town. The rebels, who are known as the Eritrean People's Liberation Front (EPLF), are now in control of the town.



PRISONERS IN THE DESERT—About 400 Ethiopian soldiers, of the 700 reportedly captured by Eritrean rebel forces, being kept under guard at an Eritrean prisoner of war camp. These men were said to have been captured during the battle of Nakfa.

They call their organization a national democratic liberation movement. They claim that they want to establish a democratic government that will improve the living conditions of all Eritreans and allow them to participate in the political and economic life of the country. The EPLF operates out of a mountainous border area between the Sudanese border and Nakfa. They have built a sprawling fortress of underground stone buildings and hillside caverns for use as command centers, prison camps, workshops, fuel and ammunition dumps, hospitals and barracks. On the ground, every turn in the riverbed hides some new EPLF installation. Everything is so buried or camouflaged that only rocks, scrub trees and open desert can be seen from the air. The arrangement reflects the one glaring weakness of the rebel forces—Ethiopia controls the air. EPLF leaders claim that Ethiopian fighter-bombers have sometimes taken a heavy toll in more densely populated cities and towns, but they rarely hit anything in the well-hidden mountain camps. The EPLF forces move mostly at night because of the possibility of air attack, but they say that it has been weeks since any planes have appeared. No Ethiopian plane was spotted in the entire week this correspondent spent in Eritrea.

Final Session Extended Commodity Fund Wins North-South Approval

By James Goldsborough

PARIS, June 1 (UPI).—The 27 delegations at the North-South conference tonight agreed to establish a common fund for commodity price stabilization and were working toward agreements on other issues that have delayed the final declaration of this three-day meeting. Meeting all day and into the night, foreign ministers from the world's industrial, oil-producing and developing nations reached tentative agreements on several of the subjects facing them, including development aid, the common fund and the need to continue these talks in the future. The main point holding up a final agreement was the form that future energy consultations would take. The industrialized countries were insisting on setting up a new forum for future contact, while the developing countries were reluctant to grant this until they had squeezed out as many concessions as possible in the areas of aid and price supports. There were difficulties in several other areas. But they were also having difficulty in several areas, including how to deal with the developing countries' indebtedness and guarantees for the purchasing power of such countries in an inflationary world. The difficulty of the negotiations extended the talks beyond the scheduled termination, which was to have been this morning. Secretary of State Cyrus Vance canceled a morning press conference and a scheduled noon departure and, with the other foreign ministers, was still at the negotiating table late tonight. But there were no signs of a negotiating impasse. "The common fund agreement is a positive point," Nguzi Kari Boud, foreign minister of Zaire, said tonight. "We have at least passed from confrontation to negotiation." The common fund agreement itself was vague in its final form. It simply set up the fund as an agreed principle, and said that its "specific purposes and objectives" would be negotiated at the United Nations Conference on Trade and Development in November. But the agreement in principle was what had been sought by the 19 nations representing the developing world. "We perhaps could have obtained more," said Mr. Nguzi. "But wisdom dictates that we express our satisfaction with what we have obtained. But it is not enough." The agreement on development aid was even vaguer. The Group of 77, representing the 16 industrialized nations here, have pledged themselves to "progressively and substantially" increase their aid to the developing world, but no figures are spelled out. Firm Commitment The developing nations had been pressing for a firm commitment to devote 0.7 per cent of



British Foreign Secretary David Owen in Paris.

Critics Say Arms Race Will Quicken to Deploy a Missile Warhead That Can Hit Soviet Silos

ard Weinraub
ON, June 1 (NYT).—States soon will be complicating—the arms race by more accurate and head capable of let missiles in their

What has disquieted the Soviet Union—as well as U.S. critics of the plan to deploy the Mark 12-A—is the fear that the refined Minuteman 3 could accelerate the arms race. Pentagon officials, and some liberals, contend that the improved U.S. capability matches growing Soviet strength, and that failure by the United States to deploy the new missile would

Likud Believed to Weigh No. 2 Post for Yadin

TEL AVIV, June 1 (Reuters).—The rightist Likud bloc is considering offering the deputy premiership to Yigal Yadin, head of the reformist Democratic Movement for change, informed political sources said today. But the Likud, led by Menachem Begin, wants to keep the key defense, finance and foreign affairs portfolios in its own control, the sources added. There was no immediate indication whether the DMC would accept the Likud offer, but a senior government official said today that Mr. Begin, the prospective prime minister, had caused "nearly irreparable damage" to Israeli interests with his tough comments against returning exiles to Arab land. United Press International reported. The official was not named. The Likud leadership was also

expected to offer the DMC the portfolios of justice, health, social welfare and communications, and transport, the sources said. Negotiations between the Likud and the DMC were broken off last week after Mr. Begin offered the Foreign Ministry post to former Defense Minister Moshe Dayan, triggering a storm of protest in Israel. The protests were aimed at Mr. Dayan for defecting from membership in the Labor party to be in a position to accept the post and because he is still held by many people here as being largely responsible for initial Israeli setbacks in the 1973 Middle East war, when he was defense minister. The DMC agreed yesterday to resume negotiations with the Likud after Mr. Begin told Mr. Yadin that the Dayan appointment was only a proposal and that all nominations to the future cabinet would have to be agreed jointly. The DMC won 15 seats in the Knesset (parliament) in last month's general election. With the Likud's own 45 seats, the DMC and three separate religious parties, a Likud-led coalition would command 77 seats in the 120-member legislature. Informed political sources said a decision to offer the deputy premiership to Mr. Yadin was made at a Likud leadership meeting today. Many opponents of Likud are hoping that the DMC will enter a coalition with Mr. Begin to moderate the Likud's tough policies on the Arab-Israeli conflict. It was presumed that this was the main reason Mr. Yadin wanted his group to head the Foreign Ministry.

But No Accord on Go-Betweens Ocean Gunmen, Dutch Agree to Mediation

herlands, June 1 (AP).—The government's mediation role in the Moluccan gunboat 60 hostages and in 10th day, there was still who the media cans torn by al of a home- He said the es- in had proposed that these had d by the gov- t in turn propos- in the gunmen the spokesman did not identify ad mediators or had not been aling what offi-

and the school, the official said. It was one of the angriest exchanges in the tense deadlock since the twin sieges began, with authorities charging the terrorists were endangering the health of their hostages. The hijackers did allow an ambulance to draw close to the train, but quickly sent it back. Later, they had a 23-year-old woman medical student among the prisoners phone the crisis center with news that the collapsed man was now "okay," a government spokeswoman said. She confirmed that the government had cut a direct phone link between the two armed bands, saying it was no longer needed after the release last Friday of 105 child captives from the besieged school. "They grumbled a bit when we told them of our decision, but they are no longer asking for the phone to be restored," she said. The two terrorist groups are linked by separate field telephones to the crisis center. Officials said privately that the government now had all the psychological advantages in dealing with the gunmen. The gunmen are dependent on the authorities for everything from contact with the outside world to their food and drink. Should the terrorists turn violent, 3,000 troops and policemen are ready nearby, among them marines trained in boarding and capturing a train from specially equipped armored flatcars. The gunmen have abandoned earlier demands to take their hostages out of the country. Talks have been interrupted on the gunman's remaining demand to fly 21 Moluccans, jailed for earlier terrorist attempts, out of the country. Some of the jailed terrorists were involved in a similar train hijacking 17 months ago in which three hostages were murdered.

Sees 'Serious Consequences' U.S. Weighs Range of Efforts To Curtail Rhodesian Attack

By Bernard Gwertzman

WASHINGTON, June 1 (UPI).—The United States said today that Rhodesia's seizure of a Mozambique town in pursuit of guerrillas could have "extremely serious consequences" for the region. Officials said they were considering a range of possible responses, including support for new United Nations Security Council moves against Rhodesia. [Earlier, in Paris, British Foreign Secretary David Owen and Secretary of State Cyrus Vance met to consider possible steps toward ending the incursion into Mozambique, and Mr. Owen asked the United States to join Britain in bringing diplomatic pressure to bear on Rhodesia. In London, the Foreign Office said a strongly worded protest had been sent from Mr. Owen to Rhodesian Prime Minister Ian Smith, according to wire dispatches.] The four-day-old occupation of Mapai, 50 miles from the Rhodesian-Mozambique frontier, by Rhodesian forces, was regarded as a major international problem by the White House and State Department. High-level consultations were being held with various allied and African powers and messages were being transmitted through various diplomatic channels to the Smith regime to withdraw his forces from Mozambique. Of immediate concern was the effect the attack might have on the still-tenuous British-U.S. efforts to bring about a negotiated end to white-minority rule in Rhodesia by 1978.

Aides Expect U.S. To Unveil Cuba Envoy Swap Soon

WASHINGTON, June 1 (Reuters).—The United States expects to announce an exchange of diplomats with Cuba in the next few days, ending a 16-year break in links between the two countries, U.S. officials said here. Officials from both countries concluded talks in New York on Monday on establishing "inter-est sections" in neutral embassies in Washington and Havana. Some details remained to be worked out but an announcement is expected at the end of this week or early next week, officials said. Although such a move falls well short of re-establishing full diplomatic relations between the two countries, it would end the complete severance of ties that followed Cuban leader Fidel Castro's seizure of power 18 years ago. The personal intervention of President Carter and President Castro appeared to have given some impetus to the expected move. The envisaged exchange will involve middle-ranking U.S. envoys operating from the Swiss Embassy in Havana, which has maintained U.S. interests in Cuba during the long break in relations. Cuban envoys will work from the Czechoslovak Embassy here, which has performed a similar function. (Continued on Page 2, Col. 6)

Appeals Court In N.Y. Extends Concorde Ban

NEW YORK, June 1 (Reuters).—A U.S. Court of Appeals today extended a ban on Concorde flights to New York for at least another week until the court can decide whether the British-French supersonic airliner should be allowed to land here. The three-member court granted the Port Authority of New York and New Jersey, which runs Kennedy Airport, one week to file further briefs in an appeal against a lower court ruling authorizing Concorde flights. A ban on Concorde flights pending court appeals expired today, but the judges said the stay would be extended until they ruled on the case.

sts Are a Boon and Bane

ter Finds Plains the Same the Sleepy Village Bustles

By James T. Wooten

S. Ga., June 1 (NYT).— Carter came home yesterday—home to this village that now is by his success. Memorial Day vacation Georgia coast, he stopped his way to Washington welcomed exuberantly of his former neighbors by hundreds of the who have flocked to the unity where he grew.

their cameras and ballpoint pens and paper for his autograph, each other and the Secret Service agents a hectic stroll down set, visiting stores, and friends and working through the crowd.

asked, Mrs. Buford of his earliest sup- now the director of the Projects, Inc. "Lord, I haven't seen January. Lord, Lord, ing good."

later, a plate-glass Turners Hardware and Store—the only place that hasn't changed," in its other win- dered from the press and reporters as the passed.

went for Mr. Carter nment his helicopter own until he left al- ous later.

en, he stopped at the ouse he built into business, talked with r brother, Billy, who the lucrative enter- d some of his farm- adjoining county—

where he picked some wild plums —hopped with his mother, Lillian, and picked up some personal papers from his vacant home.

It was only the second time Mr. Carter had returned since he left for Washington in January. Although Plains already had undergone substantial change by then, the metamorphosis has accelerated since his inauguration.

"I'm very pleased at the way the town has been kept the way it was," the President said. "It's almost more than 600 people can do."

There are those who live here who believe it actually is more than the 600 people can do.

The Plains Baptist Church, for instance, where he was baptized 40 years ago and where he later served as a deacon, is no longer what it was. Its pastor, the Rev. Bruce Edwards, who advocated racial integration for the church, has been fired by members who opposed it—and those who resist- ed the pastor's dismissal are talk- ing about forming a separate con- gregation.

"I feel responsible," Mr. Carter said ruefully, "but I believe God will take care of it."

Billy Leaving

The President's brother, Billy, a hero to many Americans who enjoy the folksy wisdom he dis- penses with the help of a book- ing agent, has decided to leave Plains for Buena Vista, a nearby com- munity where he says he hoped to escape the publicity he has helped to generate.

Not all townspeople are mourn- ing the departure of the Presi- dent's affable but frequently short-tempered brother.

For instance, last week, when his proposal for a small office



FOND MEMORY—President Carter greets Rachel Clark, who helped to raise him, during a visit to Plains, Ga.

next to his service station tenta- tively was rejected by the town council, he testily withdrew his application for a permit and promised to go to court.

During his visit Tuesday, the President took time out to vote in a local election. At issue was a proposed 1-per-cent sales tax for Plains and nearby Americus.

Also on the ballot was a question concerning the purchase of eight large billboards to be placed at major intersections, directing tourists to Mr. Carter's birthplace.

In the shops and stores along the one-block Main Street and in the souvenir stand at the old train depot, tourists may make their selections from among at least 14 different T-shirts, includ- ing one that reads, "I Drank a Beer at Billy's Service Station."

peanut butter, peanut rings, peanut butter peanut butter, and a variety of items with Jimmy Carter's autograph or a picture of Plains. Also available are belt buckles, bottle openers (one of which utilizes a plastic version of Mr. Carter's teeth as the point of leverage), trash bags, bumper stickers, straw hats, shot glasses and megaphones.

et of Carter's Energy Plan Seems Not as Wide as Claimed

Paul E. Steiger

not as much as the administra- tion has been projecting, the Congressional Budget Office said yesterday.

The 133-page analysis—by far the most detailed yet of Mr. Car-

ter's controversial package of energy legislation—contained an- nouncement for both supporters and opponents of the President's pro- gram and is likely to be cited widely by all factions as the plan is debated in Congress.

On the positive side, the study by the nonpartisan Budget Office concluded that the Carter plan would significantly curb U.S. de- pendence on foreign oil beyond what would occur if current law were simply extended through 1985.

Moreover, the study determined that—contrary to the arguments of some consumer groups—the plan actually would benefit poor and lower-middle-income families at the expense of more affluent ones, and would cause minimum disruption to the economy.

On the negative side, the Bud-

get Office concluded that Mr. Carter's complex combination of proposed tax increases, price controls, consumer rebates, tax in- centives and government regula- tions would reduce the U.S. need for foreign oil by no more than 3.6 million barrels a day in 1985. This is 30 per cent less than Mr. Carter's target of 4.5 million bar- rels.

And it found that the most controversial elements of Mr. Carter's package, a proposed standby gasoline tax and excise tax on so-called gas-guzzling cars—would show relatively modest gains in gasoline conservation by 1985.

In general, the Budget Office drew a sharp distinction between the dramatic rhetoric of Mr. Car- ter's calls on Americans to curb their energy consumption and the change in life style that actu- ally would be required under his energy program.

"There has been a great deal of talk about sacrifice and the moral equivalent of war, but one does not really see this in the [Carter] plan," said Alice Rivlin, director of the Budget Office.

Thus, she noted, the Carter energy plan—for all the contro- versy it has engendered from those who say some of its aspects are too severe—calls merely for curbing the rate of increase in energy use, not for a real reduc- tion.

For example, the average house- hold would log 17,000 miles a year in its cars by 1985 under the Carter plan, Mrs. Rivlin said. While that would be below the 18,000 miles projected for 1985 without the Carter program, it still would be substantially above the present average of 15,000 miles per household.

Italy Arrests 26 In Kidnap Search

ROME, June 1 (AP).—A police dragnet on the Italian mainland, Sicily and Sardinia has resulted in the arrests of 26 persons that authorities said were connected with the wave of kidnappings.

A total of 38 persons have been abducted in Italy so far this year.

h Cigarette Said to Shorten moker's Life by 5.5 Minutes

DON, June 1 (Reuters).—A person shortens his life by minutes with each cigarette that he smokes, according to a report released today.

ever, according to the wide-ranging study by the Royal of Physicians, if a smoker stops using cigarettes, his of dying before his time disappears in 18 to 15 years, narrowing the findings of its third report on the use of a report entitled "Smoking or Health," the college cigarette smoking is still as important a cause of death the great epidemic diseases of the past."

tain, it said, "an estimated 21,400 deaths in men and women between the ages of 35 and 64 in 1974 were d to smoking."

ided: "Under the age of 65, smokers are about twice to die of coronary heart disease as are nonsmokers y smokers about 3.5 times as likely."

128-page report asserts: "Smoking deaths are now at r times more numerous than deaths from road acci- dents have been reduced by making our roads safer and ing people to drive more carefully. Compared to this, rt devoted to preventing deaths from smoking is

report also stated: "The earlier in life a person starts regularly, the greater is the risk of early death."

Pullout Threat Triggers Clash at ILO

June 1 (Reuters).— Arab delegates said the 135-nation ILO Western representa- w: the election of a onist as vice-presi- annual conference of ional Labor Organi-

wn, of the AFL-CIO, so the post over ob- delegates from the a, Cuba, Iraq and

of the nomination because the United

States had given notice that it may leave the 135-nation ILO in November, it was inappropriate for a U.S. delegate to become one of the conference's three vice-presidents.

Soviet trade union representa- tive Pyotr Pimenov described the AFL-CIO as a "main initiator" of the U.S. threat to quit the ILO. He said it was trying to change the nature of the organization to adapt it to AFL-CIO interests.

After listening to the objec- tions, the conference president,

Joy Kobia Amedume of Ghana, said that despite the reservations, the U.S. trade unionist was duly elected by union delegates. The other vice-presidents chosen to- day were John Coates of the Confederation of British In- dustry, representing employers, and Marian Naszkowski of Po- land, representing governments. Each group chose a conference vice-president in caucus.

The Main Issue

The clash on the opening day of the three-week conference brought to the forefront its main issue—the threat of the United States to pull out.

Winfried Haase, chairman of the ILO executive board, told the 1,400 delegates that the organi- zation's budget for 1976-78 had been prepared on the assumption that the United States would remain a member.

"We should all hope that this assumption will prove to have been justified," Mr. Haase, a West German government repre- sentative, said.

The United States, angered by political stands of the ILO, said in November, 1975, that it planned to leave the organization in two years unless it changed its ap- proach to world labor matters. An Arab-sponsored resolution condemning Israel's handling of workers in occupied lands was a major irritant.

Mr. Haase said the ILO could not be an "unpolitical institu- tion" because it dealt with social problems and its decisions involv- ed social policy.

Latin Rights Pact Signed by Carter

WASHINGTON, June 1 (UPI).—President Carter today signed the eight-year-old San Jose, Costa Rica, agreement aimed at in- creasing human rights in Latin America.

The Senate still must ratify the 1969 Inter-American Human Rights Convention. And although a dozen Latin American nations have also signed the agreement, 10 have not added official ratification.

In a ceremony at the head- quarters of the Organization of American States, Mr. Carter signed the rights convention, which lists the political and social rights of individuals and potential grounds for suspension of in- dividual rights. It provides for an inter-American court of human rights to arbitrate disagreements.

Italian Prelate Resigns

VATICAN CITY, June 1 (AP).—Pope Paul VI has accepted the resignation for reasons of age of Ermengildo Cardinal Florit, 76, as archbishop of Florence.

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...GEORGE V... FLASH...

A week of gastronomy took place at the Hotel Pierre in New York from the 9th to the 14th of May organized by the George V.

Three extraordinary meals were served:

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—the second for 200 people of the April in Paris Ball Com- mittee... organized in honor of Mrs. MACLEAN II.

This meal was served to General Eisenhower in 1945 by the Chef des Cuisines of the George V, Mr. Lucien MATYAN.

—The third for 200 people in honor of Georges SEMONON, the menu being extracted from the book by Robert COURTINE "La Reine", entitled "Les Recettes de Madame Margret."

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U.S. Anti-Narcotics Program Seemingly Menaced in Pakistan

By Jack Nelson

WASHINGTON, June 1.— Pakistan unrest threatening to topple Prime Minister Zulfikar Ali Bhutto has complicated U.S. efforts to prevent the importing of illegal narcotics from South Asia, according to a White House aide.

"It is my own opinion, supported by both the State Department and the National Security Council, that Bhutto's days are numbered," Charles O'Keefe said last week in a memo to his superior, Peter Bourne, presidential assistant for drug abuse and health.

"This being the case, our nar- cotics efforts in South Asia will in all probability suffer a severe setback," Mr. O'Keefe wrote.

The 13-page memo, of which a copy was made available to the Los Angeles Times, was devoted largely to U.S. concern that Af- ghanistan will become a major supplier of illicit opium to West- ern Europe and the United States.

Heroin is derived from opium, the dried sap of the opium poppy. Until recently Afghanistan was considered a possible sup- plier of opium to the United States. But as the opium supply in Turkey has shriveled under a U.S.-Turkish program in recent years, the cultivation of poppies in Afghanistan has increased markedly and caused alarm among U.S. drug-control officials.

Other Areas Surveyed

The O'Keefe memo, in addition to treating the Afghanistan problem, deals with other South Asia areas, including narcotics control in Pakistan.

Pakistan has been wracked by political violence since the par- liamentary elections of March 7. Mr. Bhutto's Pakistan People's party won by a landslide in the election, but the opposition Paki- stan National Alliance charged vote fraud.

Relations between the United States and Pakistan cooled sharp- ly just over a month ago when Mr. Bhutto accused the United States in general and the CIA in particular of seeking to over- throw him.

More recently, as Mr. Bhutto's position in Pakistan seemed to improve, the anti-U.S. campaign moderated, and Secretary of State Cyrus Vance yesterday met in Paris with Pakistani Foreign Minister Aziz Ahmed in an effort

to open a more normal dialogue with the government in Islama- bad.

Against this background, U.S. officials were extremely appre- hensive when informed that Mr. O'Keefe's assessment of Mr. Bhutto's future had been dis- closed.

The White House aide wrote that if Mr. Bhutto is ousted, Pakistan's existing narcotics-en- forcement project, funded pri- marily by the United States, would suffer a setback—primarily for two reasons:

• The opposition PNA derives considerable support from the region of small farmers who de- pend upon growing opium pop- pies for a livelihood and it would be unlikely to allow a continua- tion of opium-law enforcement.

• The PNA could be expected either to ignore Raouf Ali, Mr. Bhutto's director of the Pakistan Narcotics Control Board, or to remove him from office.

"In this case, we can antici- pate almost total disregard of narcotics on the part of the gov- ernment, and the equipment which we have supplied will be either neglected or transferred to other enforcement agencies," Mr. O'Keefe reported.

Even if Mr. Bhutto survives as Prime Minister, Mr. O'Keefe said, he could be expected to give the PNA "far-reaching conces- sions" that would weaken en- forcement efforts.

Mr. O'Keefe wrote that the major portion of Afghanistan's opium crop is either consumed locally or shipped to Iran.

But he added that because of the increase of poppy cultivation in Afghanistan, "in my estima- tion the traditional consumers in Afghanistan and Iran will not absorb this year's Afghan pro- duction."

That likelihood, together with other elements of the situation—including a drug-processing ca- pability that apparently has sprung up recently in Afghanis- tan, "portends a serious immed- iate threat to Western Europe, and subsequently to the United States by 1978," Mr. O'Keefe wrote.

He urged that the United States seek from the Afghans an agreement which would lead to elimination of opium poppy cul- tivation in the country.

Such an agreement should be concluded by mid-July since the planting of poppies begins in mid-September and it would re- quire at least two months to im- plement the plan, Mr. O'Keefe said.

© Los Angeles Times

New Opium Traffic Feared

U.S. Anti-Narcotics Program Seemingly Menaced in Pakistan

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Mr. O'Keefe wrote that the major portion of Afghanistan's opium crop is either consumed locally or shipped to Iran.

But he added that because of the increase of poppy cultivation in Afghanistan, "in my estima- tion the traditional consumers in Afghanistan and Iran will not absorb this year's Afghan pro- duction."

That likelihood, together with other elements of the situation—including a drug-processing ca- pability that apparently has sprung up recently in Afghanis- tan, "portends a serious immed- iate threat to Western Europe, and subsequently to the United States by 1978," Mr. O'Keefe wrote.

He urged that the United States seek from the Afghans an agreement which would lead to elimination of opium poppy cul- tivation in the country.

Such an agreement should be concluded by mid-July since the planting of poppies begins in mid-September and it would re- quire at least two months to im- plement the plan, Mr. O'Keefe said.

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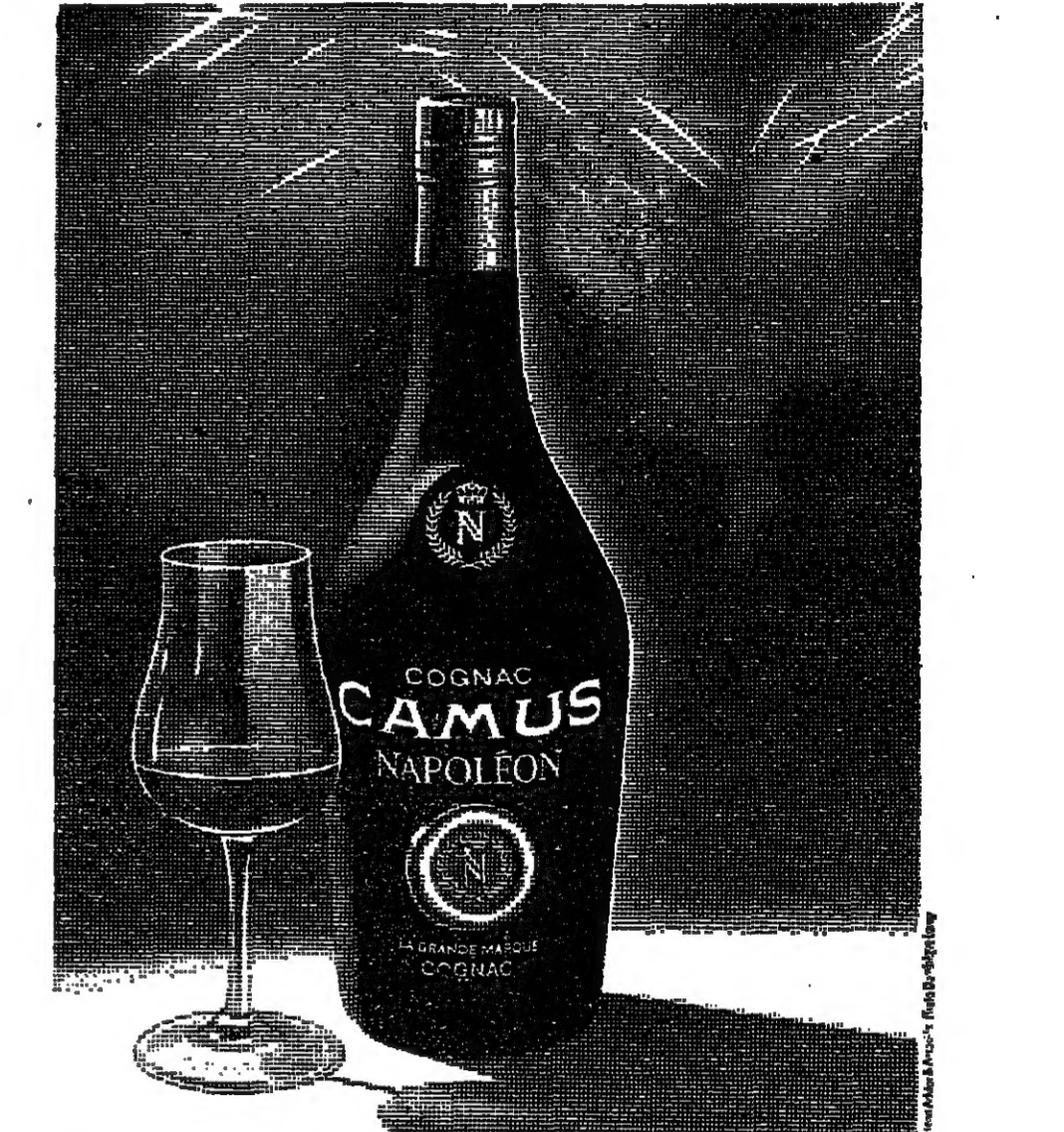
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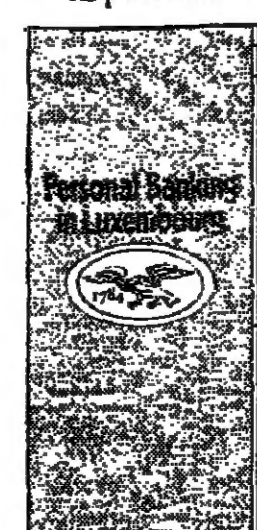
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Air Horse-Trading in the Spanish Way

By Mary Pearson Kennedy

Spain (IHT).—Francisco Nebro bought a 1-year-old filly here in the annual fair a few days ago. The animal was one of a herd of 27 mares and fillies owned by Bricio Linares of Montellano in the province of Seville. Mr. Linares, 37, and two work for him with the bell mare (a mare with round bell neck that will follow) led the herd through the mountains, beds, occasionally following the main highway for hour horseback ride to distance of 70 kilometers. When the filly was for Mr. Nebro she fell for the first time. And like it. It took five old her down and she high in the air at one caught the halter on a almost hanged her.

Back at the livestock grounds they raced up and down the dusty hills showing off their horses. One young man with long curly hair under his sombrero Sevillano and wearing blue jeans put his dappled gray horse through a routine for a prospective buyer. (Toward the end of the morning he sold the horse for 50,000 pesetas, about \$700.)

Francisco Nebro, 57, a native of Cohn, which like Ronda is in the province of Malaga, has been buying and selling animals since he was 20 as well as working as an *encarreado* (farm manager) for fruit farms. He is considered one of the most knowledgeable citrus fruit grafters in his village and an excellent judge of horses. Through a complicated deal of trading a cow for a horse and then selling the horse for twice what he paid for the cow he ended up with what he hoped was enough money for "a good horse at Ronda."

Leaving Cohn at 7 a.m. he drove with friends 65 kilometers through the green, white and gray sierras of Prieta, Merinos and Ronda.

Before looking at the animals over, everyone had coffee and *churros* (a flour mixture that is dropped into boiling oil and served up crispy and hot).

Any livestock transaction in Andalusia involves three people, the buyer, the seller and the *corredor* (a broker). This latter can be a friend or a stranger, but it is his job to see that the bargaining does not break down.

Mr. Linares was asking 37,000 pesetas (about \$775) for the filly.



Francisco Nebro and just-bought filly at Ronda fair.

Mr. Nebro wanted. He told Mr. Linares that there was not one filly in all of Spain worth this price. The *corredor* went into action, first getting the buyer to go up and the seller to come down. Back and forth the argument went with shouting and handwaving, neither the buyer nor the seller even glancing at the horse. Finally they agreed on 20,000 pesetas (\$280). The crowd that had gathered around them nodded in approval: the deal had been fair.

Mr. Nebro paid in cash. Both buyer and seller tipped the *corredor* and then went to the noisy official café where the papers for the horse were stamped and the new owner's name transferred and everyone drank brandy or anis. Other than this transfer, for which they each paid \$3, there are no entrance or selling fees, so there can never be a sure way of knowing how many animals might be there on a given day.

Transportation had to be arranged back to Cohn. Mr. Nebro has never owned a car and has had the same motorcycle for 15 years. "I'd take a horse over a car any day." A neighbor, Miguel Rojo, who had bought two donkeys, agreed to bring the filly back in his truck.

By 3 in the afternoon the animal fair was over for the day. Some stayed on to see a football match and for the evening festivities of dancing and fireworks.

But Mr. Nebro wanted to get his new horse home. The animal-loaded trucks made their way slowly through the mountains, stopping in Yunquera (30 kilometers from Cohn) for lunch at a roadside restaurant.

Animals were the only conversation. The highest price went for an enormous mule (which reportedly could carry 800 kilos on its back) for 13,000 duros (about \$235). Andalusian country people rarely speak of money in terms of pesetas. They will talk in "duros" (1 duro is 5 pesetas) or "reales" (4 reales is a peseta).

Mr. Nebro was pleased with his day. A man whose opinion he respected had told him, "That filly was one of the best buys in the fair. She comes from a strong Sevilla breed and she will bring you good luck."

British Evaluate N.Y.C. Schools

By Gene I. Maeroff

NEW YORK (IHT).—New York City's public school system, as seen through the eyes of a group of British educators, is an institution desperately constrained by the provisions of the contract between the city and the teachers' union.

It is a place where schools lose control over instructional programs, parents and their children fail to reap the benefits of decentralization and coordination between junior highs and senior highs is totally inadequate.

These are some of the impressions of 13 men and women from England who spent a week here last fall visiting schools and meeting with administrators, teachers, parents and students. They concentrated their attention on junior highs and middle schools.

Comparisons

In so doing, they tried to draw comparisons between New York City and London, two cities in which public education has in common the difficulty of trying to operate in a "fragmented society" in which a whole range of problems and influences bear upon the schools, according to one of the observers.

"We have, like you, lost large numbers of manufacturing jobs in the central-city areas," said Robert Thornbury, who heads a teachers' center program that helps London teachers in their professional development. "We have, like you, seen a large-scale migration of middle-income groups. We have, like you, seen the collapse of public services."

The New York Urban Coalition, which sponsored the visit with the support of the Vincent Astor Foundation, plans to gather together some New York City

educators in June to discuss reactions to the British observations.

There is almost certain to be some controversy arising out of the remarks, especially those about the New York City teachers' contract, which was described as a "wooden horse" that operates from within the system to obstruct planning and staff development.

"The teachers' contract seems to create unnecessary problems for children, administrators and the teachers themselves," the report states.

Criticism

A principal criticism deals with the seniority guarantees that affect teacher assignments and disrupt attempts to build continuity of staffing in a school that must remove less experienced teachers and give their jobs to more experienced teachers who have been ousted from other schools.

"Because of the differences in the contractual agreement," the report says, "the effect of the economic crisis in Britain has been to anchor teachers more firmly to individual schools and it appears quite likely that this will result in a dramatic improvement in inner-city education (in London). An odd contrast with your system."

What bothered Peter Newsam was the idea that teachers in New York had to implement curriculum that they had little role in developing. He thought that there was more flexibility in curriculums in London than in New York.

Mr. Newsam was appointed in January as education officer of the Inner London Education Authority, a position roughly equivalent to Irving Anker's job

as school chancellor in New York City.

"You are separating the program in the school from the teachers who are doing it," Mr. Newsam said of the lack of teacher involvement in planning.

On the matter of curriculum, the British visitors concluded, in general, that schools did not do enough in New York City to adjust curriculum to the needs of students living in a particular neighborhood.

Curriculum Void

"There appears to be a void about curriculum," the report says. "Where does it come from? As we visited schools, it appeared to be much the same everywhere with the exception of special projects, which all seem to be always starting from scratch."

The issue raised by the British educators is a two-sided one, however, and they seem to have ignored the obverse side. If the basic curriculum in the schools of New York or any other city is not more or less the same from school to school, there is danger of students not being treated equally and some receiving inferior education.

Perhaps it was merely the sameness of the curriculum that aroused the visitors rather than the possible inadequacy of it, something at which they hinted. "There seemed to be signs of a shared curriculum in the schools which leads to standardized written work on unsuitable topics," the report says.

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DINING IN PARIS: An Alternative to a Club

Naomi Barry

(IHT).—You can belong to a club or you can opt for the *Plaza-Alma*, a dining club in Europe, where you can enjoy the company of the rich, the titled, and the famous, place to meet people like the type they are in a meeting.

book is a photo album by Claude, the who cuts pictures of now clients out of other glossies and re-graphs. Those who are candidly sufficient me in with inscribed as. There is hardly to craphook along with fountain, Sagan, Karajan, Paul de France, Ford, Dada, the three Arpels rley MacLaine, etc.

rs (cousiner Pierre hen eating lunch years) are placed at the entrance behind Montaigne picture r tables are held unless they cancel, ds are handed over lurs who otherwise ill a "member" re-a post in the inner

hamburgers and a *croque-monsieur*. Both extremes are presented with the same splomb and the prices even at the lower end add up to big time. The habitués tout the virtues of the *Relais* steak bar and onion soup. There is always a selection of *plats de jour*, soups, eggs, sandwiches, salads, hors d'oeuvres and desserts.

One of the great features of the *Relais* is this old-fashioned dish:

Beef à la Mode
2,500 grams of *calotte* of beef (fleshy part of the animal's thigh used for ragouts).
800 grams of bouillon.
500 grams of white wine (Sauternes).
250 grams of carrots, scraped and cut into lengthwise slices, using only the deeply colored orange parts.
200 grams of lardons, 5 millimeters square.
50 grams of cognac.
40 grams of fat from a roast (substitute: 2/3 peanut oil and 1/3 butter).

3 cloves.
2 egg whites.
1 calf's foot, washed, cleaned and cut in pieces, pork rind, 3 decimeters thick.
1 bouquet garni (parsley, thyme, bay leaf, allspice, salt, pepper).
500 grams of Madeira.
100 grams sliced onions.
Season the beef with salt, pepper and allspice. Marinate the beef in 400 grams of white wine and 400 grams of Madeira with the lardons. The meat should be well bathed.
After 24 hours, season the lardons and lard the meat parallel to the fibers.
Brown the meat on all sides in a Dutch oven with the fat from a roast for about 20 minutes. Flame with the cognac.
Line the bottom of the casserole with the pork rind. Place the beef on top. Add the calf's foot, carrots, onions, cloves and bouquet garni.
Pour on the bouillon, the remainder of white wine and Madeira. Salt and pepper. Cover. Bring to the boil. Reduce

the fire. Simmer for 4 and 1/2 hours. Season to taste just before the end of cooking time.
Remove beef and carrots. Strain the juice and skim off fat. Clarify the liquid with the two egg whites and two egg shells while boiling it over a moderate fire. Remove when it comes to the boil and strain through a slightly dampened cloth.
Cut the beef in slices perpendicular to the lardons.
Take a mold and decorate the sides with carrot slices which have been cooked apart and retained their shape. Pour on some of juice. When it has jellied, place a layer of beef slices, alternate with carrot slices, ending with a layer of beef. Drown all in the juice. Allow to cool and unmold.
Serve by cutting the aspic in the same manner as a pâté.
Serves 10 to 12.

Relais Plaza, 21 Av. Montaigne, Paris-8. Tel.: 225-40-96. Serves lunch and dinner and suppers before and after the theater. Open seven days a week. Closed for the month of August.

ENTERTAINMENT IN NEW YORK

NEW YORK, June 1 (IHT).—This is how New York Times critics rate new films:

"Andy Warhol's *Bad*" is not only the most stylistically conventional Warhol comedy to date, it is also the most forthrightly satirical, according to Vincent Canby. It centers around a Mrs. Aiken, a beautiful woman whose specialty is hair removal and who also presides over a sort of miniature *Madame T. T.* Her assassins are mostly bored women who like the easy hours. "Having triumphed over their sexual obsessions, the Warhol characters have become lobotomized members of the consumer society." The director is Jed Johnson and the script is by Pat Hackett. The cast is "very peculiar and very good." Carroll Baker plays Mrs. Aiken "marvelously." Susan Tyrrel is her dim-witted daughter; Perry King is her only male operative and Bridget Fonda is a dog hater. Canby says, "If Andy Warhol and his friends are trendsetters, then heaven help the human race. The film is more aware of what it's up to than any Warhol film I've seen to date."

"*Cria!*" is "Carlos Saura's beautifully acted, haunting Spanish movie." Vincent Canby says. Ana Torrent plays a 9-year-old whose "childhood is so packed with trauma that one can scarcely believe that this acutely sensitive

child will ever grow up to be the apparently composed articulate woman that Geraldine Chaplin plays." The atmosphere is dream-like, showing Ana at 9, Ana a few years earlier at the death of her mother and Ana grown up.

"One begins to wonder whether the movie is much more than an outline for another movie. One wants more than mood and memory, though that may be asking for more than Saura ever intended." It is a "movie of marvelous moments and two superb performances by Miss Torrent and Miss Chaplin." For Canby Miss Chaplin has never before "so thoroughly realized herself as an actress."

"*Coscin Angelica*," a Spanish film by Carlos Saura, is "extra-

ordinarily compelling," according to Vincent Canby. It's the story of Luis, a middle-aged man taking the bones of his long dead mother from Barcelona to southern Spain, where he grew up with Falangist relatives while his father was fighting for the Republic. "It is a voyage into the past quite unlike any other I've seen in a movie, both because Spain's recent history is so particular and because of Saura's way of always dealing with memory so that it becomes an extension of the immediate present. The scenes between Luis and his cousin Angelica, both recollected and actually happening, are intensely moving and slightly perverse." Maria Clara Fernandez plays Angelica, and Jose Luis Lopez Vazquez "is super as Luis."



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Fundamental Problems

When Senator Javits warns the underdeveloped countries not to be too critical of American efforts to aid them, he is quite right. The United States was underdeveloped itself once, and doesn't find it as easy as does the Third World to forget the years of hard work and many debts that marked its early history.

But when the underdeveloped accuse the United States of not presenting anything new in the direction of a world economic order, they too are right. For both sides, regardless of what formal economic or political systems may prevail, have certain fundamental problems which prevent any new order from being introduced overnight—or being accepted if it is introduced.

On the side of the industrialized states (including the Communist, as the Poles found out) there is a kind of built-in inflation, less because of the search for profits by the owners, whether national or private, than because of the constantly rising anticipations of the wage earners and the economic strength they now possess. The underdeveloped countries are well aware of the inflation and would gear it to the sales of their own products. But could a country like, say France, which is trying to enforce wage and price stabilization, be able to accept an automatically inflatable cost for raw materials? Until the industrial states

are able to control stagflation, it will be a problem for the non-industrial states.

And the latter have their own problems, including those of a staggering accumulation of debts and uneven balances of exchange. And those states are not necessarily without their own share of guilt for such problems: seeking to develop too fast, trying all manner of economic experimentation, internal corruption, feuds and fights. Would, for example, southern Africa offer quite so bad an economic prospect if it moved, step by peaceful step, toward majority rule instead of trying to take on the whole southern end of the continent, with its chrome and gold and diamonds, in a state of war in which racial, tribal and ideological factors play so large and confusing a part?

A new order must emerge if there is to be an equitable distribution of the world's diminishing stock of materials among an increasing number of people. But it cannot be done overnight, in a conference in Paris, or one in Guatemala, an expedition by Cyrus Vance or one by Mrs. Rosalynn Carter (who is not yet an Eleanor Roosevelt). The debts are not the only problem, nor the inflation in the north nor the waste and speculation in the south. All of these are parts of a global question that can, at best, be resolved gradually—and seems to require a far wider understanding of the truly critical elements than either side has yet displayed.

The Virtue in Trade Deficits

The United States posted a record foreign trade deficit in April—\$2.6 billion—and more records are certain before this year runs out.

Not too long ago, such news would have stirred alarm: Dollars are running out faster than they come in. But today, paradoxically, this huge excess of U.S. imports over exports is taken as evidence of the dollar's strength in world commerce and of the dependence of the international economy on U.S. initiative.

The world economy would be much worse off without the U.S. deficit: it would be better still if other prosperous nations, notably Japan and West Germany, tried harder to help.

Most of the nations of the world that import oil have had to contract their economies since 1973 to pay for the increased costs of energy. By thus cutting down imports, they further reduced the world's trade, causing a double hardship in the weaker economies.

Only the most prosperous nations therefore could be expected to lead a revival in trade by running trade deficits—that is, by stimulating their economies to the point where imports would exceed exports.

The U.S. deficits, heading for \$20 billion this year after a deficit of \$9 billion last year, are testimony that the United States, alone among major industrial powers, has taken vigorous action to expand its economy and thus to help the rest of the world.

With stimulus here, the demand has grown not only for more U.S. goods but also for Italian wines, French planes, Brazilian textiles—to everyone's benefit.

The question now is whether the United States can afford to continue to fuel world recovery through such deficits. The answer, tentatively, is yes: Micawber's injunctions against the misery of debt do not strictly apply in international trade accounts. As long as the United States is also seen as a stable refuge for foreign wealth, the flood of dollars streaming abroad for imports will find its way home again in the form of investments.

It would clearly be better, however, for the older, economically healthy nations to accept a share of this responsibility by increasing their own purchases of foreign-made goods.

By running deficits, Japan and Germany could do much to speed recovery elsewhere and to provide a more attractive alternative to the loans and handouts now required by struggling economies in Europe and throughout the developing world. Increased trade would also relieve the pressure on the Carter administration for greater import restrictions to defend domestic U.S. products.

So far, alas, neither West Germany nor Japan has shown much inclination to accept this responsibility. Despite their huge oil bills, the Japanese ran a trade surplus of \$10 billion and the Germans of \$13.5 billion last year.

Both continue on the same constricted course. Their reluctance to open the doors to imports is a sad misunderstanding of their international obligations—and long-term interest.

THE NEW YORK TIMES.

Compensation in the Middle East

President Carter seems to have given new life to an old Middle East idea, compensation for the victims of the region's travails. He dropped it in such a garbled form, suggesting—inaccurately—that a United Nations Security Council resolution had authorized compensation for displaced Palestinians, that some observers surmised he had picked it up from his most recent Mideast visitor, Saudi Arabia's Crown Prince Fahd. The Israeli ambassador in Washington promptly reminded the State Department that Israel has its own claims for compensation, for losses suffered by Jews formerly resident in Arab lands. Egypt's President Sadat then chipped in with a demand for billions of dollars in compensation for losses incurred while the Suez Canal and the Sinai oil fields were in Israeli hands.

Given Mr. Carter's record of moving on from verbal miscues to policy pronouncements, it could be a mistake to dismiss what he said about compensation. It's not a way-out idea. On the contrary, the reason it's been around for so long is that it's a good idea. Paying off some number of aggrieved Palestinians, rather than having them continue to agitate to go back where they lived before Israel was established in 1948, has always seemed one possible alternative. If in fact Prince Fahd broached it to President

Carter, that's evidence of sorts that the Saudis are serious about a settlement.

Who will be paid? Who will pay? It's conceivable that Arab and Israeli compensation claims will pretty much cancel each other out; that's the simplest solution. In fact, it's very hard to see any money changing hands at all if compensation is presented as tantamount to confession of historical wrongdoing. That approach would seem to effectively preclude payment by Israelis to Arabs or vice versa. If payment is presented as part of a diplomatic bargain or a development package, however, that's another matter. The Saudis and other Arab oil states have plenty of money, and the United States and other Western countries have funds available. Any new Palestinian "homeland," whatever its political form will need economic help.

Until now, demands for compensation have been only propaganda. But a serious quest for peace would have to be one part diplomatic conference and one part bazaar, and in that context economic considerations would have a central role. Although it is not entirely clear from what Mr. Carter said the other day, that's apparently what he had in mind.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago

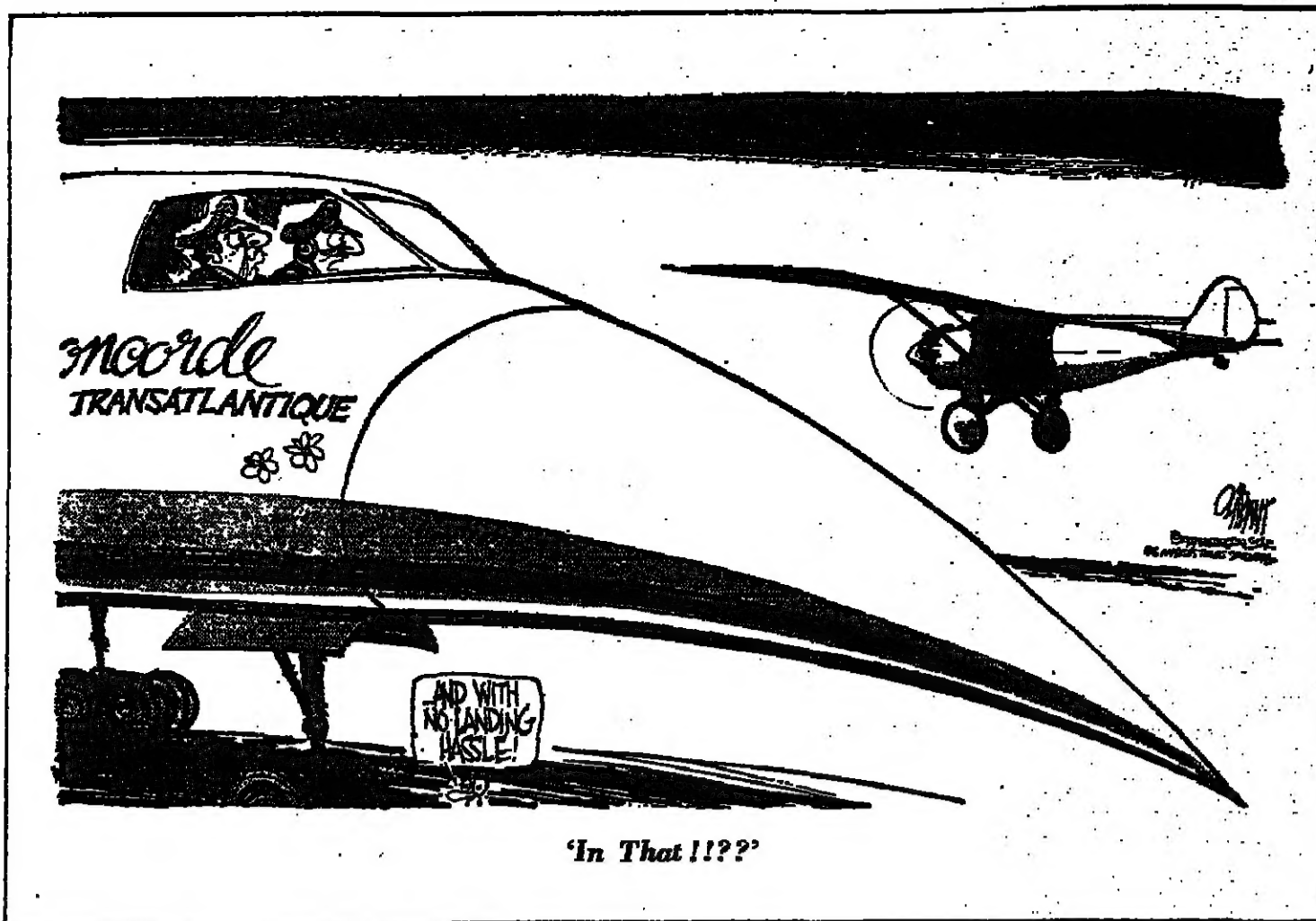
June 2, 1902

LONDON—"Peace! Peace!" was the joyful cry of the British last night. The whole world takes up the cry today, on learning the news of the Boer surrender. London went mad with delight when Lord Kitchener's dispatch conveying the news that the Boers had accepted the British terms was conveyed by the War Office. Cheering crowds filled the streets till morning singing the national anthem.

Fifty Years Ago

June 2, 1927

LONDON—Contrasting with England's military aviation role of 82 fliers killed in air crashes in 1926, the record of the progress of civil aviation from April to December, just published by the Air Ministry, shows that the Imperial Airways Ltd. during this period carried 16,775 passengers and flew 723,980 miles without the death of a single passenger or airman. Quite a record!



'In That!??'

The Struggle to Succeed Leonid Brezhnev

By Victor Zorza

WASHINGTON—The abrupt dismissal of President Nikolai Podgorny from the Soviet Politburo last week shows that the struggle for the succession to Leonid Brezhnev as party secretary is beginning to weaken the inner core of the Kremlin leadership.

All the previous dismissals of Politburo members under the Brezhnev regime were designed to remove from leadership the younger officials who might challenge the supremacy of the Brezhnev generation, now in its seventh year. So long as this inner circle held together, there was a good chance that the pressure from the younger leaders could be held in check. The sense of self-preservation therefore steadily led the older leaders to compose their policy differences, instead of fighting it out to the point at which one of them would have to be removed from the Politburo.

The senior member of this inner group, Mikhail Suslov, who is 75, has often taken a harder line than Brezhnev on foreign policy, and has occasionally given signs that he opposes the stress on "consumerism," which is the hallmark of Brezhnev's domestic policies. The signs which usually emerge from between the lines of official speeches have also made it possible to trace, over the years, the disagreements between Brezhnev and Premier Alexei Kosygin, now 73, on questions of economic policy. As the manager of a vast government bureaucracy, Kosygin has often had to fight to preserve its autonomy against the encroachments of the party bureaucracy led by Brezhnev.

Unlikely Challenger

The day-to-day management of the party bureaucracy is exercised on Brezhnev's behalf by Andrei Kirilenko, his closest associate and, at 70, his equal in age. Podgorny was, at 74, more unlikely to challenge Brezhnev for the succession—but, as President, he held a post which could become of crucial importance in the struggle for the succession. One analyst, Christian Duvel of Radio Liberty, who has traced the struggle between Podgorny and Brezhnev as it developed over the years, when others paid little attention to the signs of conflict, now speculates that Brezhnev wants the post for himself. But another possibility is that the vacancy is required for a younger man whom Brezhnev wants to groom for the succession.

There is something to be said for both these eventualities. If Brezhnev's health is as poor as recent reports suggest, the assumption of the presidency would enable him to remain in the limelight without carrying the heavy burden which goes with his present post as party secretary. If the transition is carried out while he is still the effective leader of the party, he could try to insure that the presidency carries with it more of a policy-making role than it has in the past.

But Brezhnev held the post of president for a time under the Khrushchev regime, and he certainly used it to great advantage as a stepping stone to the position of the party's first secretary after he overthrew Khrushchev. The presidency did not give Brezhnev the power to challenge Khrushchev, but it gave him an opportunity to act on the national and international stage, to get his picture in the papers and on television, to become a far more familiar figure than he had been previously—to be seen, in short, as the heir apparent.

Dirty Work

This made the transition to the Brezhnev regime much easier than it might otherwise have been. The dirty work at the crossroads involved in securing the removal of Khrushchev—who was enjoying a carefree holiday in the Crimea while his colleagues in Moscow were preparing the announcement of his dismissal—could not have been

accomplished so easily if there had been no heir apparent. Khrushchev's opponents would have had to agree on a successor before they took steps to remove him, which would have been difficult at the best of times, and particularly difficult when several ambitious politicians suddenly saw the chance of rising to the top position.

It could even be argued that Khrushchev, by designating Brezhnev as his preferred successor, had sealed his own fate. It was a lesson which Brezhnev has certainly learned, for not only has he avoided designating a successor, but he has taken steps to insure that none of the younger members of the Politburo are in a position to grab the limelight as he did under Khrushchev. Some of Brezhnev's policies have certainly been strongly opposed by his associates during his tenure, and he probably owes his survival at least in part to the absence of a "natural" successor.

But if that is so, would Brezhnev designate a successor now by appointing a younger man to the presidency, and thus endanger his own chances of political survival? He certainly wants to stay on top long enough to earn his niche in history by arranging for the formal adoption of the "Brezhnev constitution," which is now due to be passed at a special session of the Supreme Soviet in October. By that time, too, if all goes well, a new SALT agreement may be signed, to meet the deadline imposed by the expiration of the present agreement, which would fulfill another of Brezhnev's ambitions.

There may therefore be some substance to the speculation that Brezhnev was really grooming himself to take over the presidency, later in the year. Podgorny's dismissal may well be due to the fact that he refused to acquiesce in an arrangement that would have required him to vacate his post in the fall to make

room for Brezhnev. But the departure of Podgorny now makes it necessary for Brezhnev either to take over his post much sooner than he might have intended, or to appoint someone else to it. Both courses carry a risk which he has been careful to avoid in the past, for they open up the whole question of the succession and thus make his own position less secure.

Brezhnev would certainly have preferred Podgorny to stay as President for the time being. By forcing Brezhnev's hand, and bringing about his own abrupt dismissal, Podgorny has given a sign to the younger men in the Politburo that it is time to begin actively campaigning—or, in Kremlin terms, intriguing—for the top post. He has also shown them that the unity of the Politburo's inner core is no longer inviolable, and that they stand a good chance of breaching it if they work at it with sufficient determination.

Britain's Costume Party

By James Reston

LONDON—We will go to London for the Queen's jubilee, we said, and since there has been so much discord over Concord, we will fly that supersonic bird and find out whether it was worth all the fuss. Conclusion: Very expensive, very convenient, very steady, very noisy, but worth it, yes!

It was George Orwell who, in one of his many livid moods, said the British had an infallible instinct for doing the wrong thing and that the most stirring battle poem in the English language was about a cavalry brigade that charged in the wrong direction, but it seems a bit hard to blame them for this one spectacular effort to fly ahead of the rest of the modern world.

Out of the Washington countryside at half-past noon, touched down outside London 3 hours and 33 minutes later in time for a walk in the old city and a good night's sleep.

No jet lag, no fuss, no wait getting on or getting away. Lasting signs of cavary wine and a fleet size of an official American League baseball. At first, it seems a little crowded, like sitting in a long, bright hotel lobby with low ceilings and tight little port-holes windows that almost obliterate the terrestrial world below.

It is, in short, an expensive account plan for people in a hurry who don't like to talk to one another, for it's not the noise

outside but the noise inside that stops all normal conversation.

Two extra hours in London these days, however, are worth a lot. The old stony buildings have been scrubbed in the central city. The place is ablaze with flags as if the British had just gained independence. The fancy hotels are crowded at prices that are bound to restore the nation's sagging balance of payments and while the National Theatre was closed because of a strike over a plumber and two washbasins, the rest of London is a costume party.

Is inflation running at 17.5 per cent this year? Hard cheese, old boy, we'll think about that later. Will Scotland secede? They've been talking about that since the days of Robert the Bruce! Will Margaret Thatcher become Britain's first woman prime minister? Couldn't do worse than these bloody men!

Mrs. Thatcher sits in her new quarters as Conservative leader in the House of Commons, blinking under the vast portrait of Winston Churchill and talking about the new Britain after the Socialists are defeated, as she insists they will be at the next election.

Capitalism hasn't had a chance in Britain, she says, because the left wing of the Labor party was determined that it wouldn't work. But later, she predicts, a Tory government will get the government out of the housing business and the workers will have some-

thing to work for except taxes.

Dennis Healey, the chancellor of the Exchequer, says Mrs. Thatcher will lose, not because she is a woman, but because she would run the country like a headmistress. He also excludes the optimism of the Queen's jubilee, and predicts he will get a workable third-round wages policy, that there will be no election this year, that the Liberals will stick with Labor and that Labor will be returned to power next year.

Peter Jay, the newly appointed British ambassador to the United States, takes a more cautious view on his first day at the Foreign Office, but he sees the Labor party in the process of rejuvenation and the industrial world working toward a more stable economic order under the leadership of the United States.

For the moment, however, politics is scarcely Britain's favorite subject. It is derby time. Strawberries are in season. The shops in Mayfair are full of wedding hats in rainbow colors, as if even marriage were making a comeback and here and there some of the old black London taxicabs, still the best in the world, have been painted a bright maroon.

Hardest 25 Years

There is still a lot of obstinate clinging to everything that's out of date and a nuisance, but at least the monarchy is spared for the time being. The Queen has presided here during the hardest 25 years in this century and is still smiling her way through crowds at the opera and the races.

One is tempted to say that Lord Acton was only half-right and that it is not only power but the absence of power that corrupts, but for these next few weeks, the British will be thinking happier thoughts. They will be going to the houses and the concerts and to the plays at the National, now that the plumbers are back to work. And after these past 25 years, they deserve all the fun they can get.

Letters

Arab Lobby

In reply to Carla Briggs, (ET, May 20) about the American Jewish lobby, may I point out that the Arab states also have a lobby. It's called OPEC.

Rita DEUTSCHBERGER, Colares, Portugal.

price-be it for a super gas sander or a pair of clodippers—than anybody else. Perhaps this can be solved upon by President Carter in the same way as he did the energy crisis.

HARRISON LEWIS, Madilena, Malta.

Human Rights

Is it too much to hope—if not to expect—that the forthcoming Belgrade conference will seriously discuss the question of those sovereign states that have been forcibly occupied by foreign troops against the will of their inhabitants?

Or must we resign ourselves to a repetition of the solemn mummery that disgraced the Helsinki conference of 1975, at which this momentous question was passed over in shameful silence?

Are human rights valid only for individual citizens but not for whole nations?

PAUL DE HEVESY, former Hungarian minister, Bad Ragaz, Switzerland.

Inflation Vortex

I was mightily pleased with Prime Minister Trudeau's articulate comments on the recent NATO meeting (ET, May 16), and I especially liked what he said about inflation except for one thing, I have always thought that while Keynes's theories did much to ease unemployment, his easy-money theory was at the same time responsible for the built-in effect of inflation.

To get the consuming public out of the vortex of inflation certainly requires a philosophical or moral campaign not only to counteract the lack of resistance by consumers in buying more than they need but especially the false idea that they gain in prestige by paying a higher

Soviet Dissidents On the Run

By Joseph Kraft

MOSCOW—I was in the apartment of Andrei Sakharov year and a half ago when Italian journalist brought famous dissident physicist first tape of the Nobel Peace-I lecture delivered by his wife in his absence, Dr. Sakharov burning to hear the tape.

But before playing it, he told us all listen to the story of other caller. He was a one-eyed Ukrainian sailor who being harassed by Soviet authorities because he had tried to order a new wooden leg West Germany.

Today that almost ludicrous effort to work others into protest and would almost surely not occur. For doing new recruiting, the 5 dissidents are on the run. They have been put on the date by the well-meaning, but ill-considered, human rights camp of President Carter.

Mr. Carter, it will be remembered, initiated the campaign January with a personal communication to Dr. Sakharov. Though the embassy here was against it, the message was broadcast to the public. President followed with statements aimed at Russia, by receiving an end, Vladimir Bukovsky, whom the Russians regarded as a criminal.

The President's self-injection into the affairs of the dissident movement they had always been enabled to do in the absence of Washington in a which suggests that the press are a cover for U.S. spies.

A 'Confession'

The first big break with policy came on March 4, 1975, carried under the "The CIA and Human Rights" an open letter from one S.I. Pavlov, a former dissident medical doctor whose vulnerability to official pressure is suggested by the fact that both father and son have been jailed for offenses. Dr. Pavlov "confessed" that he had recruited as an agent for intelligence by the so-called "dissidents."

In his letter Pavlovsky three leading Jewish dissidents he said they were connected to two U.S. Embassy officials (Jews)—Melvin Levitsky, used to work in the American mission here, and Joseph F. who is still on the staff.

He further implicated, as between several U.S. correspondents, including Alfred P. Jr., who used to represent a week here, and Peter Ochs the Washington Post in Moscow. Finally he tied the whole thing with another Soviet dissident group including Yuri Orlov, Anatole Schcharinsky, who he said was a committee to the Soviet compliance with the main rights provision of the Helsinki declaration on peace security.

The statement of March followed, early last month a "press conference" gave Pavlovsky and published a letter under the title "How Recruited by the CIA." The same day the American diplomatic officials, the newsmen, two groups of Soviet dissidents the Jews seeking to emigrate the liberals trying to monitor Helsinki accord. It asserts under the guise of interest in man rights the Americans the dissidents were actually leaking information about the same capacity of the U.S.S.R. Naturally the Russians not stopped at mere words Orlov, one of the founders the Helsinki monitoring movement, was arrested in Feb. and has been held incommunicado. Seven other members monitoring group based in Ukraine and Georgia have the same fate.

Dissident activities have been reduced to a trickle. Even most heroic persons have been cautious. One of the best informed Western correspondents in Moscow told me flatly the dissident movement has "died."

Perhaps not. The dissidents are daring and ingenious. They may survive, especially an agreement on arms, eases the climate of Soviet-Russian relations.

But it is apparent that President Carter's first fine of giving of enthusiasm for rights boomeranged in the United Nations. Mr. Carter on meditate on that experience the kind of intensity which ed Socrates, on reviewing I just before the end to that he had "a debt to

Chairman
John Hay Whitney

Co-Chairmen
Katharine Graham
Arthur Ochs Sulzberger

Publisher
Robert R. Eckert

Editor
Murray M. Weiss

Senior Editor
Harry Sachs, Senior Editorial Writer

Honda's Net Rises 37% 13% Gain in Sales

WIRE DISPATCHES
June 1.—Honda Motor Co. reported a 37% increase in net profit and a 13% gain in sales in the year ended March 31, 1977, compared with the corresponding period of 1976.

The company's net profit rose to 2,144 billion yen from 1,564 billion yen in 1976. Sales increased to 2,314 billion yen from 2,044 billion yen.

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Easing Investment

June 1 (AP-DJ).—The Japanese government today announced it would ease restrictions on foreign investment in the country.

The government said it would allow foreign companies to acquire up to 49% of Japanese companies, up from the current limit of 40%.

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Monetarist Watchdogs for Europe

PARIS, June 1 (NYT).—A switch to tighter monetary policies is the only way Western Europe can achieve the twin goals of low inflation and more jobs set by the recent economic summit meeting in London. That was the conclusion of a newly formed watchdog group of private economists who met there Friday.

The group, known as the "Monetarist Watchdogs," is made up of 10 economists from 10 different European countries. They are all monetarists, strongly criticized the economic policies being pursued in most European countries as well as those advocated by international bodies such as the Organization for Economic Cooperation and Development in Paris and the International Monetary Fund in Washington.

In particular, they attacked the idea—advocated last week by Michael Shuman, U.S. secretary of the Treasury—that stronger countries can help weaker nations by expanding their economies more quickly.

The economists offered instead a cure based on reducing the amount of new money entering the European countries. They said this formula would eliminate inflation in Western Europe by the early 1980s and would provide the basis for sustained economic growth.

The new watchdog body calls itself the "European Economic Policy Committee." Its aim is to monitor Western European economic policies as well as policies recommended by bodies like the OECD. The committee is modeled on the monetarist Shadow Open Market Committee in the United States, which meets periodically to assess the monetary policy pursued by the Federal Reserve Board and to make recommendations.

The founders and co-chairmen of the European group are two Americans—Prof. Karl Brunner, of the University of Rochester, and Prof. Allan Meltzer, of the Carnegie-Mellon University in Pittsburgh. Both men also helped found the Shadow Open Market Committee, and they are its co-chairmen. The other members of the European committee come from Britain, France, West Germany, the Netherlands, Belgium and Switzerland.

In a broad policy statement issued after its first meeting, the Shadow European Economic Policy Committee said: "Target rates of monetary expansion must be chosen and maintained in relation to the trend rates of the growth in the economy. If this is done, inflation everywhere can be ended by the early 1980s."

As was to be expected from monetarist economists, the group poured scorn on current efforts to reduce inflation and promote growth by restricting wage and price increases and other forms of direct government intervention in the economy. It was strongly critical of the OECD for advocating such an approach to the world's current economic difficulties and particularly for its stated belief that the strong countries should help the weak by trying to grow faster.

"Despite all the evidence that it does not work, the OECD still urges fine tuning," the committee said. It also blasted the IMF, asserting that its efforts to limit "domestic credit expansion rather than money growth" in return for its loans to countries in difficulty, "have no rationale in a world of floating exchange rates."

The members of the new committee, who hope to meet at least once a year to review European developments, believe their monetarist approach is beginning to win a measure of official support in Europe, much as it has done in the United States.

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As British Firms Cut Back U.S. Concerns to Boost Spending

NEW YORK, June 1 (AP-DJ).—Appropriations for new plant and equipment by the 1,000 largest U.S. manufacturers in the first quarter this year lagged slightly behind the near-record previous quarter but were 30 per cent above those in the year-earlier first quarter.

First-quarter appropriations edged down 3 per cent to \$14.69 billion, seasonally adjusted, from \$15.08 billion in the final 1976 quarter, according to the Commerce Department, an economic research institute. But the first quarter of 1977 was up sharply from the \$11.24 billion reported for the similar 1976 quarter.

"Appropriations now are on a more sustainable growth path after posting an unusually strong increase in the fourth quarter of 1976," said Elliot Grossman, Commerce Board economist.

The slight decline in the first quarter appropriations in no way suggests a weakening of economic conditions. It would appear that neither the severe winter nor uncertainties about President Carter's energy policies and tax package have had an adverse effect on capital appropriations," he added.

Appropriations are authorized to spend money in the future and thus are the first step in the capital-investment process. Non-durable goods appropriations dropped 16 per cent from their near-record levels in the prior quarter, but surpassed levels set in the year-earlier quarter. Durable goods appropriations rose 18 per cent from the prior quarter.

Outback in Britain
LONDON, June 1 (Reuters).—British manufacturing industry has sharply reduced its 1977 investment intentions since the beginning of the year, according to the latest survey conducted by the Department of Industry.

The survey suggests that manufacturing firms now plan to invest in 1977 only 6 to 10 per cent more than last year.

The January survey showed that planned investment rose to 15 per cent higher.

The plans for 1978 show the volume of investment could rise by 20 per cent or more over 1977, bringing capital spending up to or even above the level of 1976.

The department regards the first quarter 1977 figure, when actual investment by manufacturing industry fell by more than 2 per cent from the previous quarter, as abnormally low.

Noting that quarterly figures are volatile and prone to statistical aberration, this 2-per-cent fall compared with an expected increase of around 5 per cent, government officials said.

Government statisticians noted that although forecasts should become more reliable nearer to the event, in previous years the surveys conducted during the year have not been consistently any more accurate than the January questionnaire of investment intentions.

The statisticians said that on this basis, the January survey suggesting a 10 to 15-per-cent rise in 1977 investment plans could be just as close to the final result as the later more gloomy estimate.

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Fears Increase in Inflation

U.S. Aide Criticizes Interest Rate Rise

WASHINGTON, June 1 (AP).—The recent increases in U.S. interest rates by some banks could undermine confidence in the economy and worsen the nation's inflation rate, President Carter's budget director said today.

Although the bank increases have been in short-term rates so far, Budget Director Bert Lance said there is danger that long-term rates, including home mortgage interest rates, will also be affected.

"I don't think the country does well when there are abnormally high interest rates," Mr. Lance said at a briefing. "In 1974 and 1975, banks learned that high interest rates were not the answer to their problems."

"We need interest rates that are at a reasonable and stable level to encourage business investment," Mr. Lance said.

His concern stemmed from an increase by some major banks last week in their prime interest rates from 6 1/2 to 7 3/4 per cent, the second increase in this important short-term rate in three weeks.

He told reporters that the increases were not justified on basic economic considerations of the supply and demand of money, since, Mr. Lance argued, there is an abundant supply of money. If anything, he said, banks could obtain more money by increasing their interest payments on savings accounts.

Disagree With Burns
While Mr. Lance appeared careful not to criticize chairman Arthur Burns of the Federal Reserve Board directly, he did disagree with an argument frequently made by Mr. Burns that interest rates rise in response to the inflation rate.

He said that if long-term rates also increased, "I think that is inflationary and becomes self-fulfilling."

"They have tried to combat inflation with interest rates previously and that did not work," Mr. Lance said, referring to the double-digit interest rates that nearly wrecked the nation's double-digit inflation rates in 1974 and part of 1975.

He said consumers and businesses may interpret the increase in interest rates as indicating a higher inflation rate ahead. That could choke off home-buying and home-building as well as the business investment the nation needs, he said.

He also said the increase in interest rates, coupled with concern about inflation, is largely responsible for the recent decline in the stock market.

Federal Reserve Board policy plays a key role in determining the interest rates charged by banks.

Inflation Worries
Mr. Lance appeared to be slightly more concerned than previously about the recent surge in inflation, although he continued to classify it as a temporary increase, resulting largely from the impact of the severe winter weather on the economy.

"I still hope these numbers are an aberration," he said, but he added that the inflation figures for May and June will be important in indicating more accurately what the true inflation rate is.

Consumer prices increased at an annual rate of about 10 per cent during the first four months of the year, while the administration has argued that the underlying inflation rate is much lower, about 6 per cent.

Mr. Lance also said at his briefing that the 1978 budget deficit will be lower than the 1976 budget deficit, which is now estimated.

Bundesbank Terms Start
FRANKFURT, June 1 (AP-DJ).—Otmar Emminger and Karl Otto Poehl officially began their terms as president and vice-president of the Bundesbank today, the Bundesbank announced.

The new president, Mr. Emminger, 64, was born in 1912 and served as vice-president from 1974 to 1976. He was previously president of the Deutsche Bundesbank in Bonn.

The new vice-president, Mr. Poehl, 58, was born in 1919 and served as president of the Deutsche Bundesbank in Bonn from 1974 to 1976. He was previously president of the Deutsche Bundesbank in Bonn.

The Bundesbank is the central bank of the Federal Republic of Germany. It is responsible for issuing the German mark and for maintaining the stability of the German currency.

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Dow Index Pushes Above 900 But Trade Volume Moderate

NEW YORK, June 1 (NYT).—The stock market pushed ahead today in what analysts called a technical rebound, but the mood in Wall Street was unenthusiastic.

The rally was led by such big name issues as IBM, Eastman Kodak and Du Pont which have come under heavy selling pressure recently.

The Dow Jones industrial average climbed 7.89 points to 906.55. It was up 7.29 at 3 p.m.

Gaining issues outstripped declines by about 925 to about 445. Volume totaled 18.32 million shares, compared with 17.8 million yesterday.

Analysts considered volume moderate for the breadth of the gain and said many investors appeared to be reluctant to join in the buying, especially the highly liquid institutions. The analysts attributed buying to careful selection among depressed blue chip issues.

The industrial average was down a total of 43.25 points over the previous eight sessions.

However, analysts said the current action might be critical concerning the near-term outlook. They noted that the industrial average fell through the psychologically important 900-level on Friday and had been struggling yesterday to cross above it.

The analysts say a convincing holding action at the 900-level would tend to bring in more buying while a collapse might lead to a further sharp decline in the industrial average.

Twentieth Century Fox headed the Big Board active list for the second straight day, up 1 1/2 at 18. While company officials attribute the stock's heavy trading solely to the new motion picture "Star Wars," analysts said at least part of the current interest in Fox is the result of persistent take-over talk.

Energy Secretary Tony Benn said the agreement with BP was "of major significance in the development" of BNOC.

Of the 51 per cent of the output the state-owned oil company is allowed to buy from BP, BNOC will be allowed to retain from 12 to 16 per cent of BP's production in 1979 to 1981. The remainder of the 51 per cent will go back to BP for an equivalent amount of Nigerian crude oil, which is heavier than North Sea oil and is needed for the operation of power plants, the Energy Department stated.

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Real Discrimination

Teen-Age Cartoonist Has Big Ideas

WHAT KIND OF SHELLFISH DOESN'T BELIEVE A WORD YOU SAY, GIVE UP?! ABALONE! GET IT? AH, ABALONE!

I MADE THAT UP MYSELF! HAHA HA HA HAHA...

YOU DON'T LIKE ME, DO YOU?

the Academie française wrote an illuminating study of "Pierre le Chat"; sociologist Evelyn Sullerot has found that the poetry of Peanoux compares favorably to that of Saint-John Perse. Even though the Texan drawings have been likened to Michelangelo since a few years ago an exhibition of comic strips was held at the Louvre.

"They treat us quite profoundly," Lee Falk, creator of Mandrake the Magician, said at the time. "Like they say, a German joke is no laughing matter."

"Since he has been in Paris, Clay has been drawing every day and he thinks his work is improving. He has a quiet feeling that he will succeed.

"I am crazy about my work," he says. "If I wasn't, I wouldn't continue after all these years."

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